



## **Organic Food Program Update August 2002**

This update and associated enclosures contain information on a number of items including proposed fee increases, National Organic Program labeling requirements, changes in compost requirements, the organic commission survey and other information.

### **Washington State's Organic Food Program earns USDA accreditation**

The Washington State Department of Agriculture is among the first agencies to be accredited to certify organic production and handling operations to comply with National Organic Program standards. The accreditation was announced April 29 by the U.S. Department of Agriculture. The federal standards are very similar to the state standards Washington has developed over the past 17 years. The new organic standards provide a national definition for the term "organic." These standards detail the methods, practices and substances that can be used in producing and handling organic crops and livestock, as well as processed products.

The WSDA Organic Food Program is in the process of implementing the National Organic Program. Effective Oct. 21 this year, agricultural products labeled organic must originate from farms or handling operations certified by a state or private agency accredited by USDA. Farms that gross less than \$5,000 in direct sales of organic agricultural products per year are exempt from certification. Organic farming and processing continues to increase in Washington. In 2001, the state's organic food industry generated nearly \$200 million in sales from 40,000 acres. There are about 750 certified organic producers, handlers and processors in the state, producing organic fruits, vegetables, grains, herbs, and many other processed organic food products. For more information about the state's program, visit the department's Web site at <http://www.wa.gov/agr/FoodAnimal/Organic/default.htm>.

### **Containers (Wooden bins, plastic bins, flats, lugs, produce boxes and more)**

Under section 205.272(b), the NOP prohibits the reuse of any containers that have been in contact with a prohibited material unless it has been thoroughly cleaned and poses no risk of contact with the prohibited material. Therefore, all organic food product containers must be either:

1. New;
2. Dedicated for organic food products only; or
3. Be thoroughly cleaned.

The reuse of produce boxes lugs, flats, or bins will only be allowed if there is verification that the containers are dedicated for organic products only or were thoroughly cleaned.

NOP 205.272 also prohibits the use of containers that contain synthetic fungicides, preservatives or fumigants. Wooden bins or other containers that are made from treated wood are prohibited under this provision. Bins made with untreated wood or plastic bins should be used for organic food products.



## **Labels**

Enclosed is an overview of the labeling requirements under the National Organic Program and a copy of the Labeling subpart of the NOP regulations. There are three major points to pay attention to in regards to labeling of your organic food products.

1. All retail packages must contain the statement "Certified Organic by the Washington State Department of Agriculture."
2. The statement "Grown in accordance with the California Organic Food Act" is prohibited on packaging after October 21, 2002.
3. The USDA logo must not be used until October 21, 2002.

## **Manure restrictions and compost requirements**

The National Organic Standards Board has recommended a broad interpretation of the manure and compost requirements. The WSDA Organic Food Program will be following these recommendations until further clarification is provided by the National Organic Program. A copy of the recommendations is enclosed.

## **Chapter 16-157 WAC, Organic Food Standards and Certification**

Organic Food Standards and Certification, chapter 16-157 WAC provides the certification procedures and requirements for producers, processors, and handlers of organic food products. In mid July 2002, the WSDA Organic Food Program was audited by USDA to determine compliance with the National Organic Program. The auditors identified some additional requirements in chapter 16-157 that need to be deleted to be fully compliant with the National Organic Program. Proposed changes to chapter 16-157 WAC include:

1. Removing the 25 foot buffer zone requirement. The NOP requires adequate buffers which may be more or less than 25 feet. Guidelines to determine adequate buffers will need to be developed.
2. Deleting nonchemical vegetation management requirement for roadsides and right of ways. Nonchemical vegetation management may be required if it is needed to provide adequate buffers under NOP 205.202(c).
3. Deleting neighbor notification requirement. Notification may be a component of an organic system plan but will not be a requirement for all organic producers.
4. Deleting transitional certification requirement. Guidelines will need to be developed to specify conditions where a field or site can qualify for organic certification in the first year it applies for certification. Inadequate record keeping or insufficient documentation that the transitional requirements have been met will be grounds for not granting organic certification in the first year.

## **Fee Increase**

The Organic Food Program has expanded over the last few years. In 1997 the program certified 297 growers on 12,000 acres. There were also 84 certified organic processors and handlers in 1997. Last year we certified 535 growers on 40,000 acres as well as 229 processors and handlers. The increased work load has resulted in a budget shortfall. Expenses have exceeded revenue by about \$100,000 over the last three years. The added expenses are primarily due to increased staff expenses to serve the larger work load. The program is currently relying on state cars that have over 150,000 miles and has had a difficult time keeping up with the work load.



In order to address the shortfall, protect the integrity of organic food products, and continue to provide quality certification services, the program is proposing to increase fees for the 2003 certification year. The Organic Advisory Board has clarified the intent of the fee increases. First, the board felt that everyone should participate in the fee increase. Second, the board felt that the fees should be increased more for those that benefit most from the certification. Third, the fees for additional services (e.g. new sites, new products) should reflect the cost of providing the service.

The state legislature has approved a fee increase that is in excess of the fiscal growth factor. The Organic Advisory Board has made the following recommendations regarding fee increases for next year:

#### General fees

1. Increase inspection fees from \$30/hour to \$50/hour. Inspection fees are for out-of-state inspections.
2. Increase late fee from \$50 to \$75
3. Increase new applicant fee from \$75 to \$100
4. Increase export certificate fee from \$30 to \$50.
5. Establish inspection fee of \$50/hour for inspecting to international organic standards (e.g. Japanese Agricultural Standard, European Union standard)

#### Producer fees

6. Maintain new site fee at \$50 per site.
7. Maintain transitional acre fee at \$5 per acre
8. Increase minimum annual certification fee from \$165 to \$200.
9. Increase fees by \$5 for producers that have annual sales under \$42,500.
10. Increase fees to 1% of sales for sales between \$100,000 - \$125,000.
11. Increase fees by 10% for sales above \$125,000.

#### Processor fees

12. Increase facility fee from \$150 to \$200 per facility.
13. Increase certification fees in all categories by 10%.

#### Material registration fees

14. Establish new product registration fee at \$100 per product.
15. Increase registration fees from \$50 to \$100 for fertilizers, soil amendments and crop production aids.
16. Increase registration fees from \$100 to \$200 for pesticides, post harvest materials and processing aids.

#### Handler fees

17. Increase certification fees in all categories by 10% except for the lowest fee category which will increase from \$75 to \$150.

Comments on the proposed fee increase are encouraged. A final proposal will be mailed out in the fall. A public hearing will also be held in the fall to hear comments on the final proposal. Please send comments to Miles McEvoy at (360) 902-1924, FAX (360) 902-2087, or email: [mmcevoy@agr.wa.gov](mailto:mmcevoy@agr.wa.gov).



### **Certification cost share**

On May 13, 2002, President Bush signed the farm bill, known as *The Farm Security and Rural Investment Act of 2002*. The bill has some real wins for the organic agricultural community. Significant gains won by the organic agricultural industry include \$15 million for research in organic agriculture, \$5 million in organic certification cost-share, exemptions from federal marketing orders for growers of 100% organic products, and other initiatives facilitating research and public reports of organic marketing and production.

The Organic Certification Cost Share establishes and provides \$5 million in funding, starting in October 2002 and available until expended, to assist producers and handlers of agricultural products in obtaining certification under the National Organic Program. The bill language allows a maximum federal cost share of 75% of certification costs up to a maximum of \$500. The organic certification cost share money should be available to help offset your 2003 organic certification fees. Additional information will be provided later this year.

### **Organic commission survey**

The survey was mailed in early April to 535 producers on the WSDA organic certification mailing list. Survey responses were received from 420 producers for an response rate of 79%.

#### Results

- 54% of the survey respondents grow tree fruit, with 41% growing apples. 32% of respondents grow vegetables.
- Overall, 63% of growers by number and 67% by acreage support the formation of an organic food commission. The highest support is among stone fruit growers (74% support by number, 80% by acreage). The lowest support is among grape growers (53% support by number, 46% by acreage).
- Support for forming an organic commission increases if organic producers would be exempt from paying other commission fees. Support increases to 69% by number and 75% by acreage when the exemption is in effect.
- Support for an organic commission is slightly higher among 100% organic farms rather than split operations that produce both organic and conventional commodities. Support among 100% organic growers is 64%, whereas split operations support is 59%.
- Most producers are opposed to establishing an organic commission if they have to pay existing commission fees in addition to organic commission fees (60-70% opposed). However, 30% by number and 45% by acreage would still support an organic commission while paying existing commission fees.
- About half of all respondents are not currently members of a commission. About 25% of the acreage is represented by non-commission growers. The majority of non-commission members are 100% organic (91% all organic). Most of these growers are not interested in forming an organic commission. Opposition for all respondents was 60% by number of growers and 55% by acreage.



The survey results indicate that there is a substantial interest in forming an organic food commission. Amongst organic tree fruit producers that are currently members of commodity commissions the interest in establishing an independent organic commission runs high. The complete survey results will be mailed to all organic producers later this summer.

### **Status of Success and spinosad**

The material Success is not approved for use in organic crop production. The material contains prohibited inert ingredients that are in violation of the National Organic Program standards and the Washington organic rules. The National Organic Standards Board has approved spinosad as a natural insecticide for use in organic pest management. The manufacturer of Success is working on a reformulation that will comply with the National Organic Standards. The reformulated product is expected to be available for the 2003 growing season.

### **Organic Research Symposium**

The Washington State University Center for Sustaining Agriculture and Natural Resources is organizing the Northwest Symposium on Organic and Biologically Intensive Farming: Advances in Research and Education on November 8, 2002 at the Yakima Convention Center in Yakima, Washington. The event, co-sponsored by Tilth Producers of Washington, Oregon State University, and Oregon Tilth, will highlight recent advances in organic and biointensive farming research and education in Washington and Oregon. The symposium will combine presentations by leading researchers, educators, and growers on topics such as soil health, seeds, pest management, and systems evaluation. Invited keynote speakers include Dr. Matt Liebman on creating weed suppressive soils and Dr. Chris Koopmans on nutrient cycling in organically managed soil. These talks will be followed by a poster session featuring a variety of current projects in the region, where growers and researchers can meet, discuss on-going projects, and plan cooperative efforts for the future. The symposium will run from 9:00 am – 5:30 pm and be followed by the Tilth Producers annual conference. Cost for the symposium is \$35 (including lunch). To register, contact Nancy Allen at [nancy@tilthproducers.org](mailto:nancy@tilthproducers.org) or 206-442-7620. For more information on the event, check on-line at <http://csanr.wsu.edu> or call David Granatstein at 509-664-8934, [granats@wsu.edu](mailto:granats@wsu.edu). Poster presentations are encouraged; deadline for submission is August 30. Check the website for details.

### **Enclosures**

- CR 101 for fee increases and amending chapter 16-157 WAC
- National Organic Program Labeling Requirements
- NOP Subpart D – Labels, Labeling, and Market Information
- NOP Labeling Packages (sic) and Containers (from NOP website)
- NOSB Compost Recommendations
- New Federal Funding for Organic Program at WSU